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## BEFORE THE ARIZONA CORPORATION COMMISSION

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SUSAN BITTER SMITH- Chairman  
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BOB BURNS  
DOUG LITTLE  
TOM FORESE

DOCKET NO. WS-04235A-13-0331

IN THE MATTER OF THE APPLICATION OF  
UTILITY SOURCE, LLC, AN ARIZONA  
CORPORATION, FOR A DETERMINATION OF  
THE FAIR VALUE OF ITS UTILITY PLANTS  
AND PROPERTY AND FOR INCREASES IN ITS  
WATER AND WASTEWATER RATES AND  
CHARGES FOR UTILITY SERVICE BASED  
THEREON.

ORIGINAL

**PROCEDURAL ORDER**  
**(Schedules a Procedural Conference)****BY THE COMMISSION:**

On September 27, 2013, Utility Source, LLC ("Utility Source" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for a determination of the current fair value of its utility plants and property and for increases in its rates and charges for water and wastewater utility service provided to customers in the Company's service area in Coconino County, Arizona.

On July 16, 2014, a Procedural Order was issued scheduling, among other things, a prehearing conference on November 13, 2014, at 10:00 a.m.<sup>1</sup>

On October 31, 2014, the Company filed a Motion to Reschedule Procedural Conference requesting that the prehearing conference be rescheduled for 1:00 p.m., or later, on November 13, 2014, due to a scheduling conflict.

On November 4, 2014, a Procedural Order was issued rescheduling the prehearing conference for November 13, 2014, at 2:30 p.m.

On November 13, 2014, the prehearing conference was held as scheduled, with the Company, the Commission's Utilities Division ("Staff"), and the Residential Utility Consumer Office ("RUCO") appearing through counsel, and Mr. Nielsen and Mr. Fallon appearing *pro se*.<sup>2</sup> At that

<sup>1</sup> The procedural history for this case is more fully stated in the July 16, 2014 Procedural Order, and is incorporated herein by reference.

<sup>2</sup> Mr. Nielsen and Mr. Fallon attended telephonically.

1 time, RUCO requested that the hearing be continued due to a scheduling conflict with RUCO's  
2 counsel. The Company, Staff, Mr. Nielsen, and Mr. Fallon agreed to accommodate RUCO's request.

3 On November 14, 2014, a Procedural Order was issued vacating the hearing dates scheduled  
4 for November 18, 19, 20, and 21, 2014, and scheduling a procedural conference on November 18,  
5 2014, for the purposes of discussing new hearing dates and other procedural matters.

6 On November 18, 2014, the procedural conference was held as scheduled, with the Company,  
7 Staff, and RUCO appearing through counsel, and Mr. Nielsen and Mr. Fallon appearing *pro se*.<sup>3</sup> Due  
8 to scheduling conflicts, Staff and RUCO proposed that the hearing be rescheduled no sooner than  
9 January of 2015. The parties agreed to meet and confer regarding potential hearing dates in January  
10 and the Company proposed to file a list of mutually agreeable hearing dates for consideration. In  
11 addition, an alternative option for treating the income the Company receives from standpipe sales was  
12 discussed and the parties were directed to address that alternative at the hearing.

13 On November 18, 2014, a Procedural Order was issued directing, among other things, the  
14 Company to file a list of mutually agreeable hearing dates no later than November 26, 2014.

15 On November 26, 2014, the Company filed a Notice of Dates of Availability indicating that  
16 all parties are available for hearing on February 17, 18, and 19, 2015.

17 On December 3, 2014, a Procedural Order was issued scheduling a hearing to commence on  
18 February 17, 2015 and continue, if necessary, on February 18 and 19, 2015.

19 On January 9, 2015, RUCO filed a Motion to Compel the Company to respond to RUCO's  
20 Data Request Number 2.01.

21 On January 15, 2015, RUCO filed a Notice of Withdrawal of its Motion to Compel indicating  
22 that the Company provided a response to RUCO's Data Request Number 2.01.

23 On January 16, 2015, Mr. Nielsen filed a Motion to Compel the Company to respond to his  
24 Third and Fourth Sets of Data Requests ("Motion").<sup>4</sup>

25  
26  
27 <sup>3</sup> The Company, Mr. Nielsen, and Mr. Fallon attended telephonically.

28 <sup>4</sup> Mr. Nielsen states that his Third and Fourth Sets of Data Requests were issued to the Company on October 10 and November 3, 2014, respectively.

1 On February 4, 2015, the Company filed a Response to Mr. Nielsen's Motion to Compel  
2 stating that the Motion is moot because the Company e-mailed responses to Mr. Nielsen on February  
3 2, 2015.

4 On February 9, 2015, Mr. Nielsen filed a Response to the Company's February 4, 2015  
5 Response stating that the Company failed to fully respond to three specific data requests and  
6 requesting a procedural conference to discuss the Motion.

7 Mr. Nielsen's request to convene a procedural conference to discuss the Motion is reasonable  
8 and should be granted.

9 IT IS THEREFORE ORDERED that a **telephonic procedural conference** in the above-  
10 captioned matter shall commence on **February 12, 2015, at 10:00 a.m.**, or as soon thereafter as is  
11 practical, by calling: **1-888-450-5996, passcode 457395#**.

12 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
13 Communications) continues to apply to this proceeding and shall remain in effect until the  
14 Commission's Decision in this matter is final and non-appealable.

15 IT IS FURTHER ORDERED that the **timeclock** for this matter remains suspended pending  
16 the hearing.

17 IT IS FURTHER ORDERED that each party to this matter may opt to receive service of all  
18 Procedural and Recommended Orders issued by the Commission's Hearing Division in this matter  
19 via e-mail rather than U.S. Mail, as permitted under A.A.C. R14-3-107(B). To exercise this option, a  
20 party shall send to [hearingsdivision@azcc.gov](mailto:hearingsdivision@azcc.gov), from the e-mail address at which the party desires to  
21 receive service, an e-mail request including the name of the party on whom service is to be made and  
22 the docket number for this matter. After a party receives an e-mail confirmation of its request from  
23 [hearingsdivision@azcc.gov](mailto:hearingsdivision@azcc.gov), the party will receive all future Procedural and Recommended Orders  
24 issued by the Hearing Division in this matter via e-mails to the address provided by the party, unless  
25 and until the party withdraws its request. Service of a document via e-mail shall be considered  
26 complete upon the sending of an e-mail containing the document to the e-mail address provided by a  
27 party, regardless of whether the party receives or reads the e-mail containing the document.  
28

IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules 31, 38, 42 and A.R.S. § 40-243 with respect to practice of law and admission *pro hac vice*.

IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Arizona Supreme Court Rule 42). Representation before the Commission includes appearances at all hearings and procedural conferences, as well as all Open Meetings for which the matter is scheduled for discussion unless counsel has previously been granted permission to withdraw by the Administrative Law Judge or the Commission.

IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

DATED this 10<sup>th</sup> day of February, 2015.

  
SCOTT M. HESLA  
ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed  
this 10<sup>th</sup> day of February, 2015, to:

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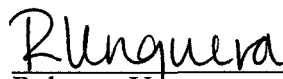
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